with the LPG distributors, OMCs have further reported that they have supplied 481.65 TMT (Thousand Metric Tonnes) of domestic LPG in the State of Delhi during the period April, 2007-January, 2008 as against 463.49 TMT during the corresponding period of last year.

However, OMCs had reported backlog in LPG supplies in certain States in the country, including the State of Delhi due to reduction in supply of bulk LPG by Reliance Industries Limited (RIL) & Essar Oil Limited in January 2008, delay in movement of bulk LPG by rail from Jamnagar to the Northern Region, increased demand in the States due to severe cold which resulted in panic booking by the customers, strikes by contract labour etc.

Government has advised OMCs to liquidate the backlog in the States by operating the bottling plants on holiday and during extended hours. Increased bottling is also being done during the working days for early clearance bf backlog.

Oil marketing companies *vis-a-vis* LPG supply

63. SHRI C. RAMACHANDRAIAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the States in Southern, Northern and Eastern India are facing shortage of LPG;

(b) if so, the main reasons for reduction of supply of LPG to the said States;

(c) whether the oil marketing companies have been directed to initiate steps that would liquidate the black marketing in LPG supplies;

(d) if so, the details thereof and by when the scarcity levels would be reduced; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) Public Sector Oil Marketing Companies (OMCs) have reported that at present, there is no overall shortage of LPG in the country and LPG supplies to distributors are being made by the OMCs through indigenous production and imports in accordance with the genuine demand of customers registered with the LPG distributors.

However, OMCs had reported backlog in LPG supplies in some States of the country due to reduction in supply of bulk LPG by Reliance Industries Limited (RIL) & Essar Oil Limited in January, 2008, delay in movement of bulk LPG by rail, increased demand in the States due to severe cold which resulted in panic booking by the customers, strikes by contract labour etc. Government has advised OMCs to liquidate the backlog in the States by operating the bottling plants on holiday and during extended hours. Increased bottling is also being done during the working days for early clearance of backlog.

(c) to (e) The possibility of black marketing of subsidized domestic LPG cylinders by some unscrupulous elements cannot be ruled out due to the wide gap between the retail price of LPG for domestic use and the market price for commercial LPG

In order to stop black marketing of LPG cylinders, the Government has enacted "Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000" and formulated

"marketing Discipline Guidelines, 2001" which provides for penal action against LPG distributors indulging in black marketing of LPG.

Whenever OMCs receive complaints, these are investigated and if the complaint is established, suitable action is taken against the LPG distributors(s) in accordance with the provisions of the MDG. MDG provides for following action against the distributor:—

— Fine of Rs. 20,000 plus the price of LPG diverted at commercial rates for 1 st offence.

— Fine of Rs. 50,000 plus the price of LPG diverted at commercial rates for 2nd offence.

— Termination of the distributorship for 3rd offence.

In addition to the action taken by the OMCs, State Government are empowered under the LPG (Regulation of Supply & Distribution) Order, 2000 promulgated under the Essential Commodities Act, 1955 to take action against black marketing of domestic LPG. Similarly, the Weights and Measures Departments of the States/UTs initiate legal action against those LPG distributors found supplying under-weight LPG cylinders. The State Governments have been alerted from time to time to take steps against the black-marketing/diversion of domestic cylinders for unauthorized usage.

Government have issued advertisements cautioning the public that use of domestic LPG for non-domestic purposes is illegal, dangerous and against national interest. Through these advertisements, cooperation of the general public has also been sought to report any irregularity/malpractice to the OMCs.

The officials of OMCs carry out random checks at distributors godowns, delivery points, as well as en-route to ensure that no pilferage takes place. The distributors of OMCs are under strict instructions to check the weight of cylinders at their godowns before delivery, and only cylinders with the specified weight are to be delivered to the customers. The distributors have also been instructed to ensure that the seals are verified & shown to the customers at the time of delivery. In case any under-weight cylinder is received by the customers, such cylinders are replaced with a fresh refill cylinder without any charges levied by the OMCs.

Proposal for hike in fuel price

64**.** SHRI JANARDHANA POOJARY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether following spurt in crude price in the global market, there is a proposal to hike oil and gas price in the domestic market; and

(b) if so, the details with measures taken, if any, to ensure that the price-rise does not induce wither inflation?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) The global prices of crude oil and petroleum products have remained high and volatile since 2004. As passing on the entire impact of the steep increase in the oil prices to the consumers will result in hardship to the common man, the retail selling prices of petrol, diesel, PDS Kerosene and domestic LPG have not been increased in tandem with the international oil prices. In view of this, the Public Sector Oil Marketing Companies (OMCs) are incurring under-recoveries on domestic sale of sensitive petroieum products namely petrol, diesel, PDS kerosene and domestic LPG.